



GLOMAC BERHAD
NOTES TO THE UNAUDITED INTERIM REPORT FOR THE FINANCIAL PERIOD
ENDED 31 JANUARY 2012

A. EXPLANATORY NOTES

A1. Accounting Policies and Methods of Computation

The interim financial statements are prepared in compliance with FRS 134 “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 30 April 2011.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2011.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the financial statements for the year ended 30 April 2011, except for the adoption of new FRSs, Interpretation and Amendments to FRSs effective on or after 1 July 2010 and 1 January 2011 as listed below:

FRS 1	First-time Adoption of Financial Reporting Standards (revised) ¹
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS 7 Disclosures for First-time Adopters) ²
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for First-time Adopters) ²
FRS 2	Share-based Payment (Amendments relating to scope of FRS 2 and revised FRS 3) ¹
FRS 2	Share-based Payment (Amendments relating to group cash-settled share based payment transaction) ²
FRS 3	Business Combinations (revised) ¹
FRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary) ¹
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments) ²
FRS 127	Consolidated and Separate Financial Statements (revised) ¹
FRS 128	Investments in Associates (revised) ¹
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from FRS 3) ¹
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition, embedded derivatives and revised FRS 3 and revised FRS 127) ¹



A1. Accounting Policies and Methods of Computation (cont'd)

Improvements to FRSs (2010)²

IC Int. 4	Determining whether an arrangement contains a lease ²
IC Int. 9	Reassessment of Embedded Derivatives (Amendments relating to scope of IC Interpretation 9 and revised FRS 3) ¹
IC Int. 12	Service Concession Arrangements ¹
IC Int. 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction ¹
IC Int. 16	Hedges of a Net Investment in a Foreign Operation ¹
IC Int. 17	Distributions of Non-cash Assets to Owners ¹

¹ Effective for annual periods beginning on or after 1 July 2010

² Effective for annual periods beginning on or after 1 January 2011

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standard ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the new MFRS Framework by Transitioning Entities will be mandatory for annual period beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using MFRS Framework in its first MFRS financial statements for the year ending 30 April 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits. The Group will be reviewing its accounting policies to assess financial effects of the differences between the current FRSs and accounting standards under the MFRS Framework.

A2. Audit Qualification

There were no audit qualifications on the annual financial statements for the year ended 30 April 2011.

A3. Seasonality or Cyclicity of Operations

Our business operations are not significantly affected by seasonality or cyclicity of operations.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial period to-date.



A5. Material Changes in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in prior financial year which have material effect in the financial statements under review.

A6. Debt and Equity Securities

There were no issuance, cancellation, resale and repayment of debt and equity securities during the current financial period except for the following:-

i) Repurchase of shares

On 28 September 2011, the shareholders of the Company renewed their approval for the Company's plan to repurchase its own ordinary shares. For the current year-to-date ended 30 April 2012, the Company repurchased 37,906,300 of its issued ordinary shares from the open market at an overall average price of RM0.82 per share. These shares are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

ii) 5-year 2007/2012 warrants ("Warrants")

Pursuant to the adjustment made to the exercise price and number of outstanding Warrants, as a consequence of the subdivision of every one (1) Glomac shares into two (2) ordinary shares of RM0.50 each, a total of 62,009,946 new Warrants have been issued and credited to the holders of the Warrants whose names appear in Glomac's Record of Depositors for Warrants as at the 13 October 2011. As at 14 October 2011, a total of 124,019,892 Warrants were listed and quoted on the Main Market of Bursa Securities. In accordance with the Deed Poll dated 5 September 2007, the exercise price of the Warrants has been adjusted from RM1.10 per Warrants to RM0.55 per Warrants.

To-date, a total of 14,939,780 Warrants have been exercised.

A7. Dividends Paid

The first interim dividend of 4.5 sen per ordinary share, less 25% tax totaling RM9,903,454 in respect of previous financial year ended 30 April 2011 were paid on 22 June 2011.

The shareholders have approved the second and final dividend of 5.0 sen per share, less 25% tax totaling RM11,027,636 in respect of the previous financial year ended 30 April 2011 at the Annual General Meeting on 28 September 2011. The dividend was paid on 6 October 2011.

Share capital comprise of ordinary shares only.



A8. Segmental Reporting

The segmental analysis for the financial period ended 30 April 2012 was as follows:

Analysis by Activity

	Property Development RM'000	Construction RM'000	Property Investment RM'000	Other Operations RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE						
External	639,276	4,912	10,009	1,417	-	655,614
Inter-segment	-	108,052	861	14,418	(123,331)	-
Total revenue	639,276	112,964	10,870	15,835	(123,331)	655,614
RESULTS						
Segment results	178,584	4,040	369	(270)	(12,364)	170,359
Unallocated corporate expenses						(9,064)
Operating profit						161,295
Interest expenses						(6,793)
Interest income						9,966
Gain on disposal of investment in associates						8,638
Impairment loss on property, plant and equipment						(2,392)
Provision for foreseeable losses						(9,305)
Revaluation in investment properties						1,485
Share of results of associates	1,190	-	(149)	-	-	1,041
Taxation						(43,922)
Profit for the period						120,013
ASSETS						
Segment assets	1,167,767	38,184	32,895	126	-	1,238,972
Investment in equity method of Associates	6,399	17,561	18,194	-	-	42,154
Unallocated corporate assets						80,515
Consolidated total assets						1,361,641

The financial information by geographical location was not presented as the Group's activities are primarily conducted in Malaysia.



A9. Valuations of Property, Plant and Equipment

Valuation of property, plant and equipment have been brought forward without amendment from the last audited annual financial statements.

A10. Material Events Subsequent to the End of Financial Period

Save for the below, there were no material events subsequent to the balance sheet date up to 19 June 2012, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

- (a) Subsequent to the tripartite Shareholders' Agreement entered into by the Company, Glomac Cekap Sdn Bhd (formerly known as Kristal Taipan Sdn Bhd) and Mr. Chong Wan Ping ("the JV parties") on 17 February 2012, the JV parties have, on 23 May 2012, entered into a Mutual Termination Agreement to mutually terminate the Shareholders' Agreement.
- (b) On 1 June 2012, Magical Sterling Sdn Bhd ("Purchaser"), a wholly-owned subsidiary of Glomac Berhad, has entered into a Sales and Purchase Agreement ("SPA") with Lee Chin Cheng Dengkil Oil Palm Plantations Sdn Bhd ("Vendor") for a parcel of agricultural land held under P.N. No. 4767, Lot No. 6984, Mukim of Dengkil, Daerah Sepang, Negeri Selangor and measuring in area approximately 77.5985 hectares (191.75 acres) for a purchase consideration of RM66,821,040.

Deposits of RM6,682,104 representing 10% of the purchase consideration has been paid upon execution of the SPA. The remaining consideration amounted to RM60,138,936 shall be payable to the Vendor's stakeholder within 30 days from the date of receipt by the Purchaser's solicitors of a certified true copy of the Estate Land Board Approval and documentary evidence from Vendor's solicitors on the withdrawal of caveats on the land.

- (c) On 7 June 2012, the Company acquired the entire issued and paid-up share capital of Magnitud Teknologi Sdn Bhd and Anugerah Armada Sdn Bhd, with both having authorized share capital of RM100,000 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

A11. Changes in Composition of the Group

- (a) On 1 November 2011, the Company acquired additional 10 ordinary shares of RM1.00 each representing 10% equity in Glomac Thailand Sdn Bhd ("GTSB"). Pursuant to the acquisition, GTSB becomes a wholly-owned subsidiary of the Company.
- (b) On 2 February 2012, the Company acquired the entire issued and paid-up share capital of Kelana Kualiti Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

On 20 April 2012, the Company acquired additional 499,998 ordinary shares of RM1.00 each in the share capital of Kelana Kualiti Sdn Bhd.



A11. Changes in Composition of the Group (continued)

(c) On 15 February 2012, the Company acquired the entire issued and paid-up share capital of Kristal Taipan Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

On 21 February 2012, the Company has increased its authorised share capital from RM100,000 to RM5,000,000 and has subsequently changed its name to Glomac Cekap Sdn Bhd on 27 February 2012.

(d) On 28 February 2012, the Company acquired the entire issued and paid-up share capital of Magical Sterling Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

(e) On 28 February 2012, the Company acquired the entire issued and paid-up share capital of Crest Dollars Sdn Bhd, with an authorized share capital of RM100,000.00 comprising of 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares are issued and fully paid up, for a cash consideration of RM2.00.

(f) On 26 April 2012, the Company acquired additional 2,498 ordinary shares of RM1.00 each in the share capital of Kelana Property Services Sdn Bhd, a wholly-owned subsidiary of the Company.

There were no other changes in the composition of the Group since the previous financial year ended 30 April 2011.

A12. Changes in Contingent Liabilities

There were no significant changes in contingent liabilities since the last audited balance sheet date as at 30 April 2011.

A13. Capital Commitments

The Group has the following capital commitments:

	30/4/12 RM'000
Approved and contracted for:-	
Purchase of land for development	113,300
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B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of the Performance of the Company and its Principal Subsidiaries

The Group recorded an increase in revenue and profit before tax by approximately RM58 million (10%) and RM34 million (27%) respectively for the current period as compared to previous corresponding period. The improvement is attributable to on-going sales and progressive recognition of development projects in Glomac Damansara, Bandar Saujana Utama, Saujana Rawang and Glomac Cyberjaya.

B2. Comment on Material Change in the Profit Before Taxation for Current Quarter as Compared with Previous Quarter

The Group's Profit Before Tax ("PBT") increased by 27% as compared to previous quarter mainly contributed by Glomac Damansara, Glomac Tower, Glomac Cyberjaya and Bandar Saujana Utama.

B3. Prospects for the next Financial Year

Barring any unforeseen circumstances, the Directors are of the opinion that, based on the on-going development projects and the level of work targeted to be completed, the Group's performance for the financial year ending 30 April 2013 is expected to improve.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Taxation

The taxation charge for the current quarter and financial period to-date include the followings:

	Current Quarter Ended 30/4/12 RM'000	Year To-date Ended 30/4/12 RM'000
Current taxation	24,352	50,860
Deferred taxation	(7,135)	(6,938)
	<u>17,217</u>	<u>43,922</u>

The Group's effective tax rate for the current financial period is higher than the statutory tax rate by the Inland Revenue Board mainly due to utilisation of deferred tax assets and non-recognition of deferred tax asset on tax losses.



B6. Profit on Sale of Unquoted Investments and/or Properties

There was no other sale of unquoted investment or properties.

B7. Purchase or Disposal of Quoted Securities

- a) There was no purchase or disposal of quoted securities in the current financial period to-date.
- b) There was no investment in quoted shares held as at end of the reporting period.

B8. Status of Corporate Proposals

a) Status of Corporate Proposal Announced But Not Completed

- i) Proposed acquisition of land by Glomac Alliance Sdn Bhd from Score Option Sdn Bhd (Receivers and Managers Appointed) for a purchase consideration of RM77.0 million

On 21 January 2011, Glomac Alliance Sdn Bhd ("GASB") entered into a Sale and Purchase Agreement with Score Option Sdn Bhd (Receivers and Managers Appointed) for the proposed acquisition of 200 acres of leasehold land for a purchase consideration of RM77.0 million.

On 14 February 2012, the payment of the balance consideration of RM69.3 million, representing 90% of the purchase consideration, has been made in full. On 25 June 2012, the proposed acquisition has been completed.

- ii) Proposed acquisition of land by Kelana Kualiti Sdn Bhd from auction sale for 2 pieces of land with 99-year leasehold located at Mukim of Ijok, District of Kuala Selangor, State of Selangor for a total consideration of RM44,000,000.00

On 17 February 2012, Kelana Kualiti Sdn Bhd ("KKS"), the wholly-owned subsidiary of the Company, has received the Memorandum from the Kuala Lumpur High Court confirming successful bidding of the auction sale for 2 pieces of land located at Mukim of Ijok, District of Kuala Selangor, Selangor for a total consideration of RM44,000,000.00. On the same day, first 10% deposit has been paid.

On 5 June 2012, KKS has made full payment of the balance consideration amounted to RM39.6 million, representing 90% of the purchase consideration. KKS is in the process of applying for Form 16F (Certificate of Sale) from the High Court.

There was no other corporate proposal announced but not completed.

- b) Status of Utilisation of Proceeds Raised From Corporate Proposal
Not applicable.



B9. Group Borrowings and Debt Securities

The Group borrowings as at 30 April 2012 were as follows:-

	Due within 12 months RM'000	Due after 12 months RM'000	Total as at 30/4/12 RM'000	Total as at 30/4/11 RM'000
<u>Secured</u>				
Hire Purchase and Lease Borrowings	434	1,129	1,563	2,749
Bank Borrowings	45,541	220,107	265,648	249,805
	<u>45,975</u>	<u>221,236</u>	<u>267,211</u>	<u>252,554</u>
<u>Unsecured</u>				
Bonds	-	-	-	50,000
Bank Borrowings	70,000	78,000	148,000	-
	<u>115,975</u>	<u>299,236</u>	<u>415,211</u>	<u>302,554</u>

There are no borrowings in foreign currency.

B10. Financial Instruments With Off Balance Sheet Risk

There were no financial instruments with off balance sheet risk for the financial period ended 30 April 2012.

B11. Material Litigation

A wholly owned subsidiary, Glomac Alliance Sdn Bhd ("GASB") had entered into a Joint Venture Agreement with Score Option Sdn Bhd ("SOSB") on 17 January 2003 to develop a land ("Project Land"). However, disputes have arisen between GASB and SOSB which are currently the subject matter of a legal suit in the High Court of Malaya at Kuala Lumpur. GASB is seeking court orders for the sale to itself of the Project Land at the price stipulated in the Joint Venture Agreement.

SOSB, in turn, is cross-claiming for the delivery of vacant possession of the Project Land on the alleged ground that GASB is no longer entitled to occupy and develop the Project Land by reason of the termination of the Joint Venture Agreement by SOSB. GASB subsequently, applied for injunctive relief to restrain SOSB from interfering with the development of the Project Land by GASB and SOSB applied for an injunction restraining GASB from continuing in possession of the Project Land.

The Court had on 30 May 2008 delivered its decision by dismissing SOSB's application for injunction and granting the Order of Injunction in favor of GASB.

SOSB has appealed to the Court of Appeal against the decision of the High Court and on 17 August 2009 and the Court of Appeal has dismissed the appeal filed by SOSB. The Court only awarded one set of costs in the sum of RM5,000 to SOSB.

The Federal Court had on 25 January 2010 delivered its decision by dismissing both applications by SOSB for injunction.

GASB has applied for an extension on discovery of documents until 14 December 2009 and subsequent to the hearing on 10 March 2010, the Court has fixed the case for decision on 8 April 2010.



B11. Material Litigation (continued)

On 22 March 2010, the Receivers and Managers for SOSB ("R&M") had advertised in The Star inviting interested parties to submit an offer or expression of interest for an outright purchase of a parcel of development land ("the Land") and other assets on an "as is where is" basis or a proposed development of the Land with the R&M, subject to the exclusion of all verifiable sold units and to the proper resolution of existing encumbrances and third party interest on the Land some of which are the subject matter of ongoing litigation.

SOSB has filed for appeal to Judge in Chambers against the decision in respect of the discovery application on 24 May 2010. The appeal is dismissed with costs of RM1,000. SOSB has filed Stay Application and Variation Application and the Judge has vacated the case management scheduled on 18 March 2011 and fixed the same on 11 April 2011 the same as the hearing of the interveners' application. The court on 29 July 2011 has withdrawn the intervener's application in enclosure 58 and fixed for case management on 3 October 2011. The court further fixed for case management on 3 November 2011 for the parties to file summary of the case, common bundle of documents and opening statement and the court has fixed for trial on 2 January 2012 – 6 January 2012, however the court had adjourned the matter and fixed for new trial date on 19 March 2012 – 23 March 2012. On 19 March 2012, the court refused to grant any further adjournment and both parties withdrew the respective claims with liberty to file afresh and with no order as to the costs. Court of the view that such withdrawals are not prejudicial to any parties.

GASB had been served with Writ of Summons and Statement of Claims ("the Claim") dated 21 March 2011 filed by SOSB and Austral Development Sdn Bhd ("the Plaintiffs") against the R&M as the 1st and 2nd defendants, Malayan Banking Berhad as the 3rd defendant and GASB as the 4th defendant. The Claim against GASB inter alia the following:-

1. A declaration that the Sales & Purchase Agreement dated 24 January 2011 entered into between GASB and the SOSB ("SPA") is null and void;
2. A declaration that the approval given to GASB to complete the 79 units (the development of 2½ storey houses) is null and void; and
3. Injunction order against GASB to enter the Land.

There is no pleaded claim for monetary or damages against GASB in this suit, only for an injunction to restrain the completion on the Sale and Purchase Agreement entered into by GASB with SOSB for the purchase of the Land from SOSB acting through the R & M. On 21 March 2011, SOSB and Austral Development Sdn Bhd ("ADSB") filed a suit against the R & M, Malayan Banking Berhad ("MBB") and GASB. On 22 March 2011 SOSB filed summon in chambers for injunction application in enclosure 4. On 24 March 2011 GASB filed memorandum of appearance. On 7 April 2011 R & M filed striking out application in enclosure 13. On 30 June 2011 the court fixed for hearing both injunction application and striking out application. On 13 July 2011 the court fixed for decision in which the injunction application was dismissed with costs to be paid by the Directors (SOSB) and R&M striking out application was allowed with costs.



B11. Material Litigation (continued)

On 11 August 2011 SOSB and ADSB filed notice of appeal to the Court of Appeal. On 26 January 2012 the court fixed the appeal for trial and heard the case on 21 March 2012 whereby the whole application for appeal against the dismissal of the injunction has been dismissed by the Court of Appeal with an order against the directors of the company to pay the costs to each of the respondents.

The Director of SOSB (Jamariah Binti Baharum) has made an application by filling Notice of Motion for leave of appeal to the Federal Court on 18 April 2012. And now the court has fixed the matter for further case management on 28 June 2012.

There is no other material litigation which will adversely affect the position or business of the Group.

B12. Dividend

The Board has on 22 March 2012, declared an interim dividend of 2.75 sen per ordinary share less tax at 25% in respect of financial year ending 30 April 2012 which was paid on 20 June 2012.

The Board has on 26 June 2012, proposed a second and final dividend of 2.75 sen per ordinary share less tax at 25% in respect of financial year ended 30 April 2012, subject to shareholders' approval in the forthcoming Annual General Meeting.

B13. Earnings Per Share

a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the net profits for the period and the weighted average number of ordinary shares in issue during the period.

Description	Current quarter ended 30/4/12	Preceding year corresponding quarter ended 30/4/11	Current year to date ended 30/4/12	Preceding year corresponding period ended 30/4/11
Profit attributable to equity holders of the Company (RM'000)	22,246	15,022	85,780	62,981
Weighted average number of ordinary shares in issue ('000)	570,533	* 592,063	580,918	* 586,630
Basic earning per share (sen)	3.90	* 2.54	14.77	* 10.74



B13. Earnings Per Share (cont'd)

b) Diluted Earnings Per Share

The diluted earnings per share for the current financial period ended 30 April 2012 has been calculated by dividing the Group's net profit for the period by the weighted average number of shares that would have been issued upon full exercise of the remaining option under the Warrants, adjusted for the number of such shares that would have been issued at fair value, calculated as below.

Description	Current quarter ended 30/4/12	Preceding year corresponding quarter ended 30/4/11	Current year to date ended 30/4/12	Preceding year corresponding period ended 30/4/11
Profit attributable to equity holders of the Company (RM'000)	22,246	15,022	85,780	62,981
Weighted average number of ordinary shares as per basic EPS	570,533	* 592,063	580,918	* 586,630
Effect of shares option ('000)	41,337	* 51,740	41,337	* 51,736
Weighted average number of ordinary shares (diluted)	611,870	* 643,803	622,255	* 638,366
Diluted earning per share (sen)	3.64	* 2.33	13.79	* 9.87

* In accordance with FRS 133 Earnings Per Share, the comparatives have been restated to account for the effects of the share split.

B14. Provision of Financial Assistance

- There has been no additional financial assistance provided pursuant to Paragraph 8.23 of the Main Market Listing Requirement during the current quarter.
- The aggregate amount of financial assistance provided during the current quarter was as follows:-

<u>Type of Financial Assistance</u>	Limit of Amount RM' million
Corporate Guarantee for Credit Facilities	4.4
Corporate Guarantee for Equipment Leasing Facilities	2.0
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	RM' million
Profit Guarantee	4.2
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As at 30 April 2012, RM2.2 million was remained outstanding in respect of the above guarantees.

There was no financial impact on the Group arising from the financial assistance provided.



B15. Realised and Unrealised Profits

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Securities”) issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	30/4/12 RM ‘000	30/4/11 RM ‘000
Total retained profits of the Company and its subsidiaries:		
- Realised	346,340	297,998
- Unrealised	23,287	14,946
	<hr/> 369,627	<hr/> 312,944
Total share of retained profits from associated companies:		
- Realised	20,011	20,451
	<hr/> 389,638	<hr/> 333,395
Less: Consolidation adjustments	(68,056)	(68,591)
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Total Group retained profits as per consolidated accounts	321,582	264,804
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The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements* as issued by the Malaysian Institute of Accountants on 20 December 2010. A charge or a credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resources of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.